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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: James H. Alleman

Filed: June 2, 1994

Serial No.: 08/252,984

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Docket: SLW 162.002US1

Examiner: A. Matar

Title: INTERACTIVE TELEPHONE SYSTEM FOR OPTIMIZING SERVICE ECONOMY

#22

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N.E.)

APPELLANT'S BRIEF ON APPEAL

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Appendix III - Declaration Under 37 C.F.R. § 1.131.

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This brief is presented in support of the Notice of Appeal filed herewith, from the rejection of claims 1 and 18-27 of the above identified application, as set forth in the Office Action mailed January 20, 1995. An oral hearing is requested.

A check in the amount of \$140.00 to cover the fee for filing this brief under 35 U.S.C. § 1.17(f) is enclosed.

I. STATUS OF THE CLAIMS

Claim 1 as amended March 14 1994, claims 20, 22, 26, and 27 as submitted June 2, 1994, and claims 18, 19, 21, and 23-25 as amended on November 10, 1994, are the subject of this appeal (see Appendix I). The claims have been rejected twice by the Examiner.

II. STATUS OF THE AMENDMENTS

No amendment to the non-final Office Action mailed January 20, 1995, has been presented. The Office Action is attached (see Appendix II).

III. SUMMARY OF THE INVENTION

The Problem Solved by the Invention.

Telephone companies outside of the United States often charge two to five times as much for a call originating in their country as U.S. carriers charge for the same call originating in the United States. Consequently, substantial cost savings can be realized if callers located outside the U.S. can have their international calls "originate" in the United States.

The present invention permits a subscriber located outside the United States to circumvent the often exorbitant tariffs of some telephone companies by calling a system at a central location in the United States. The system identifies the subscriber by the subscriber's direct inward dial (DID) number, allowing the subscriber to hang-up before the call is

completed and charges are incurred. The system then matches the DID number to a subscriber's callback phone number and calls the subscriber back from the United States, thereby avoiding the telephone tariffs charged by the country in which the subscriber is located. Once the connection is completed to the subscriber, the subscriber dials the phone number of the destination station and the system connects the call. Therefore, both the call from the system to the subscriber and from the system to the party being called originate at the central location in the United States. It will be understood that the system can be relocated depending upon the prevailing tariff structure.

The present invention operates similar to a PBX system connected to a trunk line so that numerous subscribers can be served with a limited number of telephone lines. The DID number is sent on a trunk line from a telephone company central office to a PBX interface. The trunk line carries signalling information such as the assigned DID number which has been called by the calling party. The PBX receives the DID number and passes it to the central location of the claimed invention. The DID number is then compared against the DID numbers assigned to subscribers to find the subscriber's call-back telephone number. The DID number is used to identify the subscriber, not the originating station of the call.

In the present invention, there are no access codes or security codes to be lost or stolen. Even if a non-subscriber managed to transmit an authorized DID number, the system would respond by calling the call-back number of the subscriber corresponding to the DID number. Therefore, fraud and theft by non-subscribers is minimized.

Brief Overview of Applicant's Claims

Claim 1 is directed to a system located in a central location for interactively establishing telephone communication links between an originating station and a destination station. The system includes a database containing an authorized list of direct inward dial numbers (DID). A comparison means receives the direct inward dial number from the telephone exchange and compares the received DID number with the assigned DID number

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retained in a storage means. In response to a favorable comparison between the received DID number and the assigned DID number, the system originates a call from the central station to the originating station of the subscriber. The connection means receives a telephone number dialed by the subscriber and initiates a call to that number. Finally, the bridging means creates a communication connection between the originating station and the destination station.

Claim 18 relates to a system for establishing a telephone communications link between a subscriber telephone station and a destination telephone station through a telephone exchange. A storage means connected to a control means includes a database of caller information including a preassigned DID number and a corresponding subscriber telephone number for each subscriber. The first telephone connection means is operable for connecting through a telephone trunk line to the telephone exchange and for receiving an incoming DID number from a subscriber. A second telephone connection means is provided for the system to dial out through the telephone exchange. The control means compares the incoming DID number to the preassigned DID number for a particular subscriber. The system then calls the subscriber on the first telephone connection means and receives from the subscriber the telephone number of the destination station. The system then calls the telephone number entered by the subscriber along the second telephone connection means, and bridges the first and second telephone connection means so that the subscriber is connected to the destination station.

Claim 19 is directed to indicating an invalid call attempt if the incoming call does not terminate after a predetermined period of time. The termination of the incoming call is necessary so that the system can call the subscriber back along the first telephone connection means.

Claim 20 is directed to presenting an audio message on the first telephone connection means in response to an invalid call attempt, for example, if a nonsubscriber accidentally calls the system.

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Claim 21 is directed to indicating an invalid call if the incoming DID number does not match the preassigned DID numbers associated with subscribers.

Claim 22 is directed to presenting an audio message on the first telephone line in response to an invalid call attempt.

Claim 23 is directed to a method for establishing a telephone communications link between a subscriber telephone station and a destination telephone station through a telephone exchange. Preassigned DID numbers and associated remote telephone numbers are stored in the system for each subscriber. The DID number is received along the first telephone exchange connection for each incoming call. The system compares the incoming DID number with the preassigned DID numbers. If the incoming DID number matches a preassigned DID number, the system dials the telephone number associated with that particular subscriber after the subscriber terminates the call attempt. When the connection is completed from the system to the subscriber, the system then receives from the subscriber a calling telephone number for the destination station. The system then calls the calling number through a second telephone exchange connection and bridges the first and second telephone exchange connection so that the subscriber is connected to the destination station.

Claim 24 is directed to a method of terminating an incoming call attempt if the incoming DID number does not match a preassigned DID number.

Claim 25 is directed to a method of playing a prerecorded message if an incoming DID number does not match a preassigned DID number.

Claim 26 is directed to a method of indicating an invalid call if the incoming call does not terminate after a predetermined period of time.

Claim 27 is directed to a method of playing a prerecorded message in response to an invalid call attempt.

IV. ISSUES PRESENTED FOR REVIEW

1. Whether claims 1 and 18-27 are invalid under 35 U.S.C. § 112, second paragraph.
2. Whether claims 1, 18 and 23 are invalid under 35 U.S.C. § 102(a) as being anticipated by the IDT machine as disclosed in Business Week articles.
3. Whether claims 1, 18 and 23 are unpatentable under 35 U.S.C. § 103 over the IDT machine as disclosed in Business Week articles.
4. Whether claims 19-22 and 24-27 are unpatentable under 35 U.S.C. § 103 as being obvious over the IDT machine as disclosed in Business Week articles.
5. Whether claims 1 and 18-27 are unpatentable under 35 U.S.C. § 103 as being obvious in view of Kahn et al. (U.S. Patent No. 4,086,438), in view of Billinger et al. (U.S. Patent No. 4,769,834) and further in view of Srinivasan (U.S. Patent No. 5,185,782).

V. GROUPING OF THE CLAIMS

All claims are to be considered separately for purposes of this appeal (see Appendix I).

VI. ARGUMENT

1. THE § 112 REJECTION IS BASED, IN PART, ON THE INCORRECT VERSIONS OF THE CLAIMS.

The rejection of claims 1 and 18-27 under 35 U.S.C. § 112 is apparently not based on the most current version of the claims pending in the case. A review of the current version of the rejected claims renders many of the reasons for the rejection moot. Each basis for rejection is discussed below.

A. Rejection of Claim 1 under 35 U.S.C. § 112.

The first grounds for rejection relates to clarifying the nature of the communication link between the originating station and the called party because "a station

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cannot be connected to a party." However, twice-amended claim 1 filed on March 14, 1994, currently recites, "bridging a communication connection between said originating station and said destination station." Additionally, reference in the rejection to "a calling party places a call to an input connection" is not present in twice-amended claim 1, as discussed above.

The rejection states that the term "storing stored data" is confusing because stored data cannot be stored again. However, the expression "storage means for storing" clearly conforms to 35 U.S.C. § 112(6) means-plus-function format. The term "stored data" is Applicant's term for the result of the means-plus-function operation. In the present case, all of the terms in question are used consistent with their common meanings as understood by those skilled in the art. Therefore, Applicant respectfully submits that the choice of the expression, "stored data" as the noun to describe the data subject to the means-plus-function operation is proper.

The question is raised in the rejection, "[h]ow can a call be originated to the originating station of the calling party? How does the system know the telephone number of the calling party?" As is stated on page 15, lines 26-33 of the specification, the system matches the DID number of the calling party with a subscriber callback number. The system then outpulses the subscriber's callback number to establish the connection between the system and the subscriber.

In response to the question of when the system initiates the call to the originating station, the specification on page 15, lines 23-25 states that, "[A]s a condition of the service, upon hearing the ring-back or nonstandard tone, the subscriber hangs up (goes on hook)." This requirement condition serves at least two purposes: 1) permitting the system to call the subscriber back, and 2) preventing the subscriber from establishing a connection with the system for which he will be charged.

The rejection states that the "output" connection is considered a dangling component for which the function is not clear. On page 16, lines 4-8 of the specification, it

states that the DTMF generator 26 outpulses the digits entered by the subscriber over the second seized circuit. The output connection connects the system with the destination station.

Finally, the rejection states that "said calling party station" on line 31 of the claim should be said calling party. However, twice-amended claim 1 has removed all references to the "called" and "calling" party, rendering this rejection moot. Therefore, Applicant respectfully submits that claim 1 satisfies the requirements of 35 U.S.C. 112, second paragraph and is in condition for allowance.

B. Rejection of Claim 18 under 35 U.S.C. § 112.

The rejection states that it is not clear whether "a caller" is the same as "subscriber." As set forth in dependent claims 19-22 and 24-27, it is possible for the caller to be someone other than a subscriber. For example, the caller may have inadvertently dialed the number to the system. Therefore, the caller becomes a subscriber only when the control means determines that the incoming DID number corresponds to a preassigned DID number of a particular subscriber.

The rejection states that the expression "the subscriber remote telephone number" on line 22 of claim 18 lacks clear antecedent basis. However, the subscriber telephone number and the subscriber remote telephone number referred to the same number. The first reference to the subscriber telephone number relates to that number stored in the system, while the second reference refers to a call being placed to that number, which is obviously remote from the system. Therefore, clear antecedent basis is present in claim 18.

The rejection requests clarification as to what is meant by "connecting to the subscriber telephone station." As stated on page 15, lines 30-33, the system outpulses the callback number to the subscriber so as to establish a connection between the system and the subscriber. Therefore, Applicant respectfully submits that claim 18 complies with 35 U.S.C. § 112(6) and is in condition for allowance.

C. Rejection of Claim 23 under 35 U.S.C. § 112.

The rejection requests clarification as to what is meant by "connecting to the subscriber telephone station." As stated on page 15, lines 30-33, the system outputs the callback number to the subscriber so as to establish a connection between the system and the subscriber. Therefore, Applicant respectfully submits that claim 23 complies with 35 U.S.C. § 112(6) and is in condition for allowance.

2. THE BUSINESS WEEK ARTICLES ARE NOT PRIOR ART TO THE PRESENT APPLICATION.

Two articles from Business Week, dated April 13, 1992, and December 2, 1991, respectively, have been cited to establish that a machine operated by International Discount Telecommunications (hereinafter "the IDT machine") is prior art to the present application. However, Applicant has submitted a Declaration under 37 C.F.R. 1.131 which overcomes these references.

A. The Incorrect Standard has been Used to Evaluate the Declaration Under 37 C.F.R. 1.131.

It is stated on page 10 of the Office Action (Paper No. 26) that "it appears from the declaration that the reduction to practice was accomplished on April 2, 1992, which was not prior to the date of the IDT reference (December 2, 1991)." However, this rejection ignores the second portion of 37 C.F.R. 1.131(b), which provides for overcoming a reference by showing facts to establish:

conception of the invention prior to the effective date of the reference coupled with due diligence from prior to said date to a subsequent reduction to practice or the filing of the application.

As set forth in detail in the declaration of Alleman filed on November 10, 1994, Applicant has been developing and experimenting on the present invention since prior to the effective

date of the reference, December 2, 1991. Applicant provided documentary evidence establishing due diligence dating back to April 29, 1990 (see Appendix III, Exhibits A, B, C, and D).

Applicant respectfully submits that the Declaration of James Alleman must be reviewed under both clauses of 37 C.F.R. § 1.131(b). Moreover, Applicant submits that the declaration fully supports a conception prior to the effective date of the reference and due diligence up to the filing of the application. Therefore, the Business Week articles are not prior art to the present application.

3. THE EXAMINER HAS FAILED TO CITE A SINGLE REFERENCE WHICH ANTICIPATES CLAIMS 1, 18 OR 23.

Anticipation under § 102 can be found only if a reference shows exactly what is claimed. Titanium Metals Corp. v. Banner, 778 F.2d 775, 227 U.S.P.Q. 773 (Fed. Cir. 1985). Rejection of claims 1, 18 and 23 under 35 U.S.C. § 102(a) is based on the IDT machine as disclosed in 1) the Business Week articles, and 2) as allegedly admitted as prior art in the specification, pages 3 and 4. However, the portion of the specification cited on page 4 of the Office Action (Paper No. 26) does not relate to the IDT machine. Rather, the cited portion of the specification refers to the prior development by Applicant Alleman as described on page 2 of the Declaration Under 37 C.F.R. § 1.131. In particular, the device described on pages 3 and 4 of the specification relates to a stand-alone box, which required dedicated telephone lines for each subscriber.

The present invention relates to a system which is connected to a telephone company trunk line and operates as a private branch exchange (PBX). Therefore, dedicated lines are not required, and a single system with a limited number of incoming lines can accommodate a vast number of subscribers. Therefore, the disclosure of the IDT machine for purposes of the rejection under 35 U.S.C. § 102(a) is limited to the Business Week articles.

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A. The Business Week Articles Failed to Provide an Enabling Disclosure.

A reference under § 102 must sufficiently describe the claimed invention to have placed the public in possession of it. Paperless Accounting, Inc. v. Bay Area Rapid Transit System, 804 F.2d 656, 231 U.S.P.Q. 649 (Fed. Cir. 1986). Applicant respectfully submits that the Business Week articles fail to provide an enabling disclosure for purposes of 35 U.S.C. § 102(a).

With regard to claims I, 18 and 23, the cited references failed to disclose storage means for storing an authorization list of authorized subscribers or the use of callers' direct inward dial (DID) number to identify the calling part. Additionally, it is admitted at the bottom of page 4 of the Office Action (Paper No. 26) that the cited references do not disclose a telephone exchange or the use of trunk lines, which are important features of the claimed invention. In particular, the claimed system operates similar to a PBX wherein a limited number of lines can service a significantly larger number of subscribers.

Applicant has requested from the Examiner, but has not received, additional references providing adequate disclosure of the missing elements in a reference. Therefore, Applicant respectfully submits that the cited references do not provide an enabling disclosure for the claimed invention, do not show all the features of the claims in a single reference, and therefore do not form the basis for a rejection under 35 U.S.C. § 102(a).

4. THE EXAMINER HAS FAILED TO ESTABLISH A *PRIMA FACIE* CASE OF OBVIOUSNESS.

Claims 1, 18 and 23 were rejected under 35 U.S.C. § 103 as being unpatentable over the IDT machine as disclosed by the Business Week articles and the alleged admission by Applicant. As discussed above, the disclosure on pages 3 and 4 of the specification does not relate to the IDT machine. Moreover, as discussed above, the Business Week articles fail to disclose all of the elements of the claimed invention. Therefore, no *prima facie* case of

obviousness has been set forth for claims 1, 18 or 23 and the claims are in condition for allowance.

5. THE EXAMINER HAS FAILED TO ESTABLISH A *PRIMA FACIE* CASE OF OBVIOUSNESS FOR CLAIMS 19-22 AND 24-27.

As discussed above, the Business Week articles fail to provide an enabling disclosure for independent claims 18 and 23. Therefore, the Business Week articles do not disclose all of the features of the dependent claims, and no *prima facie* case of obviousness is set forth.

With regard to claim 19, it is admitted by the Examiner on page 5 of the Office Action (Paper No. 26) that the prior art does not disclose an indication of an invalid call if the call does not terminate within a predetermined period of time. Therefore, no *prima facie* case of obviousness is set forth for claim 19.

With regard to claim 20, there is no disclosure in the cited references for providing an audio message in response to an invalid call. The suggestion that a system designer can choose how to handle such invalid calls, "for example, the designer can choose to provide an announcement to the calling party" is pure hindsight speculation and does not form the basis for a rejection under 35 U.S.C. § 103. Therefore, no *prima facie* case of obviousness is set forth for claim 19.

With regard to claim 21, there is no disclosure for using the DID number to establish whether a particular caller is a valid subscriber or means for signalling an invalid caller. Therefore, no *prima facie* case of obviousness is set forth with regard to claim 21.

With regard to claim 22, none of the cited references provide disclosure for presenting an audio message for an invalid call attempt. Therefore, no *prima facie* case of obviousness is set forth for claim 22.

With regard to claim 24, no disclosure is provided for determining whether the DID number of the caller matches stored DID numbers for authorized subscribers. Therefore, no *prima facie* case of obviousness is set forth for claim 24.

With regard to claim 25, the references do not provide any disclosure relating to presenting a prerecorded message for invalid callers. Therefore, no *prima facie* case of obviousness is set forth for claim 25.

With regard to claim 26, the references provide no disclosure for indicating an invalid call if it does not terminate after a predetermined period of time. Therefore, no *prima facie* case of obviousness is established for claim 26.

With regard to claim 27, the references do not provide any indication for providing a prerecorded message for invalid call attempts. Therefore, no *prima facie* case of obviousness is set forth for claim 27.

6. THE EXAMINER HAS FAILED TO ESTABLISH A PRIMA FACIE CASE OF OBVIOUSNESS UTILIZING KAHN IN VIEW OF BILLINGER AND SRINIVASAN.

Kahn discloses an automatic interconnection system for answering incoming calls and connecting the incoming calls to an outgoing line, provided the calling party enters an authorized security code. In order to enter the security code, the calling party must stay on the line until a connection is completed, therefore causing the party to incur the cost of a call to the system. If a valid security code is entered by the calling party, the system will provide the calling party with a dial tone to make another call. Kahn does not disclose the use of a signal containing data uniquely identifying the originating station.

The Billinger reference teaches the use of the automatic number identification (ANI) capability of a central switching office to eliminate the need of a customer to dial an authorization code when accessing an interexchange carrier via a facilities reseller telephone

communications system. Srinivasan teaches the use of ANI and DID numbers in telecommunications services.

Contrary to the statement on page 8 of the Office Action (Paper No. 26), claims 1 and 18-27 are presently limited to use of the direct inward dial (DID) number. DID trunk numbers are not equivalent to ANI and CNI information in the central office. ANI or CNI indicates the telephone number of the originating station of the caller. This information is typically used in long distance toll accounting systems to indicate the telephone number of the calling party. DID numbers indicate which local number was called on a PBX trunk interface.

To imbue one of ordinary skill in the art with knowledge of the invention, when no prior art reference or references of record convey or suggest that knowledge, is to fall victim of the insidious effect of hindsight syndrome, wherein that which only the inventor taught is used against the teacher. W.L. Gore & Assoc. v. Garlock, Inc., 721 F.2d 1540, 1553, 220 U.S.P.Q. 330 (Fed. Cir. 1983). In the present case, none of the references teach an apparatus or method for receiving DID numbers along a PBX trunk line to identify a calling party and automatically calling the subscriber back, without having the calling party pay for the call to the system. The system compares the DID number to a database of authorized subscribers to determine the identify of the caller, not the originating station. The system can call the subscriber back only at the call-back number listed in the database.

Moreover, none of the cited references are directed to the problem solved by the present invention. The mere fact that the prior art can be modified does not make the modification obvious unless the prior art suggests the desirability of the modification. In re Laskowski, 871 F.2d 115, 117, 10 U.S.P.Q.2d 1397, 1399 (Fed. Cir. 1989). Absent any disclosure directed to the claimed invention, there is no teaching or motivation for the proposed modification. Therefore, the Examiner has failed to establish a *prima facie* case of obviousness for claims 1, 18-23.

With regard to dependent claims 19 and 26, none of the cited references disclose indicating an invalid call attempt if the incoming call does not terminate within a predetermined period of time. In particular, Billinger utilizes the ANI codes in lieu of a manually dialed authorization code. There is no disclosure in Billinger for terminating an incoming call within a predetermined time period. Therefore, no *prima facie* case of obviousness is set forth with regard to claims 19 and 26.

With regard to claims 21, 24 and 25, Billinger teaches requiring the user to manually dial the authorization code in response to an ANI number which is not valid. There is no teaching or suggestion in any of the references of terminating the call or playing a prerecorded message in response to an invalid ANI or DID number. Therefore, no *prima facie* case of obviousness is set forth for claims 21, 24 and 25.

SUMMARY

To summarize, none of the art of record discloses or suggests an apparatus or method for using the DID numbers to identify a calling party, rather than the originating station, and automatically call the subscriber back, without having the calling party pay for the call to the system. Moreover, none of the references disclose an apparatus with the claimed features which operates similar to a PBX system connected to a trunk line so that

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numerous subscribers can be served with a limited number of telephone lines.

Respectfully submitted,

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